GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1331
ANSWERED ON:08.12.2004
COTTAGE INDUSTRIES IN CHHATTISGARH
Jogi Shri Ajit

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a): whether the Government has received any proposal from the Government of Chhattisgarh for the development of the cottage industries in the State;

(b): if so, the details thereof;

(c): the details of the amount allocated to the State for this purpose; and

(d): the growth rate of the cottage industries in the State?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): No, Sir. However, the Government is implementing the Rural Employment Generation Programme (REGP) in the country, including Chhattishgarh, for the development of village industries, including cottage industries. Under this programme, entrepreneurs can establish agro and rural industries including village industries by availing of margin money assistance from KVIC and loans from any public sector scheduled commercial bank, for projects with a maximum cost of Rs. 25 lakh. The admissible margin money assistance (grant) is as detailed in the table below:

Margin Money Assistance under REGP

Sl.No.	Category of Beneficiary	Project Cost	Margin money Assistance
1	General	Upto Rs. 10 lakh	25% of project cost
2	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Upto Rs. 10 lakh	30% of project cost
3	General	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 2.5 lakh + 10% of balance project cost
4	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 3 lakh + 10% of balance project cost

(b)&(c): 1131 village industry projects have been established in Chhattisgarh State under the REGP. Rs. 18.26 crore has been utilised as margin money assistance cumulatively upto 2003-04 for this purpose. For 2004-05, an allocation of Rs. 8.57 crore has been made for Chhattisgarh under the REGP.

(d): During 2003-04, 697 projects under the REGP were established in Chhattisgarh against 216 reported during the previous year,

thus recording a growth of 222 per cent. In terms of creation of employment opportunities, jobs for 19,816 persons were created in 2003-04 as compared with 7254 persons in 2002-03, thus recording a growth of 173 per cent.